



Myron Burr
Sr. Mgr. EHS

Siltronic Corporation
7200 NW Front Avenue M/S. 50
Portland OR 97210-3876, USA
Tel. 503-219-7832
Fax 503-219-4121
myron.burr@siltronic.com

2016-06-09

VIA E-MAIL

Harold R. Moore III
Nationwide Indemnity Company
Environmental Claim Unit
94 Lake Street
Salem, NH 03079

Re: Supplement to April 22, 2016 Letter
Siltronic Corporation v. Employers Insurance Company of Wausau, et al.
USDC Case No. 11-CV-1493-ST
Our File No. 46454-38912

Dear Harold:

Further to my earlier letter (attached), which demands defense from Wausau pursuant to the court's Second Amended Opinion and Order with regard to its obligations under the 1978-79 Policies, I attach for your information the following correspondence:

- Letter dated May 2, 2016 from Daniel Maunz of AIG reducing its payment of MFA invoices #24949, #24952 and #24953 (by a total of \$14,068.75) because the costs allegedly "relate to pre-1978 Historical Contamination;"
- Letter dated May 3, 2016 from Daniel Maunz of AIG reducing its payment of MFA invoices 25361 and 25362 (totaling \$37,353.75) because the costs allegedly "relate to pre-1978 Historical Contamination" and "Historical Contamination," respectively.

Although Siltronic does not concede either this factual characterization or the import assigned to this distinction by either Wausau or Granite State, at a minimum these costs are reimbursable as defense costs under the existing court Order.

As previously requested, please confirm that Wausau will immediately commit to prompt reimbursement of the attached costs as defense costs under the 78-79 Policies, and to undertake future defense for the same reason.




Page 2 of 2

Also, as before, your prompt attention to this matter is appreciated.

Best regards,

Siltronic Corporation



Myron Burr, PE
Sr. Manager EHS

cc: Neil Nelson
Christopher L. Reive
Robert Horkovich



Myron Burr
Sr. Mgr. EHS

Siltronic Corporation
7200 NW Front Avenue M S, 50
Portland OR 97210-3676 USA
Tel 503-219-7832
Fax 503-219 4121
myron.burr@siltronic.com

2016-04-22

VIA E-MAIL

Harold R. Moore III
Nationwide Indemnity Company
Environmental Claim Unit
94 Lake Street
Salem, NH 03079

Re: **Siltronic Corporation's Independent Counsel Fees**
Siltronic Corporation v. Employers Insurance Company of Wausau, et al
USDC Case No. 11-CV-1493-ST
Our File No. 46454-38912

Dear Harold:

As you know, Judge Stewart's Second Amended Opinion and Order in the pending case unequivocally states that Wausau has a duty to defend Siltronic Corporation under the 1978-79 Policy, which was triggered by Siltronic's 2003 tender of defense to Wausau. That ruling was issued before Siltronic tendered, on March 23, 2016, its additional demand for defense related to the recent discovery of dioxin-contaminated groundwater and soil located at the Siltronic property.

Under either circumstance, Siltronic is due at least defense from Wausau. Please confirm that Wausau will, at last, immediately undertake its defense obligations, with or without a reservation of rights as you deem appropriate. If the former, Siltronic will respond.

Your prompt attention to this matter is appreciated. If I don't hear from you within 14 calendar days, I must assume that this demand is rejected and Siltronic must then proceed in that light.
Best regards,

Siltronic Corporation



Myron Burr, PE
Sr. Manager EHS



Page 2 of 2

cc: Christopher L. Reive
Robert Horkovich
Bryan M. Barber
W. David Campagne
Steven Soha
Gary V. Abbott



AIG Property Casualty
Complex Casualty Claims
100 Pine Street
Portland, OR 97204
503.228.1000

For more information,
please contact
Myron Burr
myron.burr@aig.com
503.228.1000

May 2, 2016

BY EMAIL: myron.burr@siltronic.com

Siltronic Corporation
Attn: Myron Burr
7200 NW Front Avenue
Portland, OR 97210

Dear Mr. Burr:

We have reviewed the invoices referenced below and approved payment in the amount of \$104,590.22, which represents AIG's 100% share.

Invoice #	Total Billed	Deductions	Approved	AIG 100% Share
24949	\$ 29,617.66	\$ 423.75	\$ 29,193.91	\$ 29,193.91
24950	\$ 5,898.28	\$ 0	\$ 5,898.28	\$ 5,898.28
24951	\$ 69,095.53	\$ 0	\$ 69,095.53	\$ 69,095.53
24952	\$ 650.00	\$ 247.50	\$ 402.50	\$ 402.50
24953	\$ 13,397.50	\$13,397.50	\$ 0	\$ 0
Total	\$118,658.97	\$14,068.75	\$104,590.22	\$104,590.22

In regard to Invoice #24949, Remedial Investigation, Task 2B: Gasco Impacts Assessment Field Oversight, we deducted \$423.75, as this activity is only related to pre-1978 Historical Contamination. Further, in regard to Invoice #24952, Early Action Support, Task 1: Negotiations Support, we deducted \$247.50, as this activity is only related to Historical Contamination. Finally, in regard to Invoice #24953, Allocation Support, Task 1: Project Management and Task 5: PCI Data Evaluation, we deducted \$4,810 and \$8,587.50, respectively (totaling \$13,397.50), as these activities only relate to Historical Contamination.

Please be advised that the approved payment will be made under separate cover and may consist of multiple checks. Should you have any questions, please don't hesitate to contact me at (212) 458-5743.



Sincerely,

A handwritten signature in black ink, appearing to read "Daniel M. Maunz".

Daniel M. Maunz
Senior Analyst
Complex Casualty Claims



AIG Property Casualty
Complex Casualty Claims
400 B Street
Alhambra, CA 91801
Tel: 626-291-1000

Myron Burr
Siltronic Corporation
7200 NW Front Avenue
Portland, OR 97210
Tel: 503-253-1000

May 3, 2016

BY EMAIL: myron.burr@siltronic.com

Siltronic Corporation
Attn: Myron Burr
7200 NW Front Avenue
Portland, OR 97210

Dear Mr. Burr:

We have reviewed the invoices referenced below and approved payment in the amount of \$103,560.23, which represents AIG's 100% share.

Invoice #	Total Billed	Deductions	Approved	AIG 100% Share
25358	\$ 47,572.90	\$ 0	\$ 47,572.90	\$ 47,572.90
25359	\$ 2,082.50	\$ 0	\$ 2,082.50	\$ 2,082.50
25360	\$ 49,767.33	\$ 0	\$ 49,767.33	\$ 49,767.33
25361	\$ 1,848.75	\$ 1,603.75	\$ 245.00	\$ 245.00
25362	\$ 39,642.50	\$35,750.00	\$ 3,892.50	\$ 3,892.50
Total	\$140,913.98	\$37,353.75	\$103,560.23	\$103,560.23

In regard to Invoice #25361, Early Action Support, Task 1: Negotiations Support, we deducted \$1,603.75, as this activity is only related to pre-1978 Historical Contamination. Further, in regard to Invoice #25362, Allocation Support, Task 2: Forensic Analysis, Task 3: Stormwater Pathway Evaluation, Task 5: PCI Data Evaluation and Task 6: NRDA Analysis and Evaluation, we deducted \$287.50 (Task 2), \$2,625.00 (Task 3), \$32,497.50 (Task 5) and \$340.00 (Task 6), totaling \$35,750.00, as these activities are only related to Historical Contamination.

Please be advised that the approved payment will be made under separate cover and may consist of multiple checks. Should you have any questions, please don't hesitate to contact me at (212) 458-5743.



Sincerely,

A handwritten signature in black ink, appearing to read "Daniel M. Maunz".

Daniel M. Maunz
Senior Analyst
Complex Casualty Claims